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ISO New England's Electricity Demand Outlook Forecasts
Adequate Supply for Winter Season
Projected Energy Use Exceeds Standing Winter Record

Holyoke, MA – December 19, 2002 – ISO New England Inc., operator of the region's bulk electric power system, today released its annual winter capacity outlook for New England. The forecast projects record energy consumption this winter; however, the addition of newly installed generating capacity ensures that electricity supply should be adequate to meet peak demand this season.

"Bulk power system reliability has two major components, supply and delivery. Both components must be individually reliable and work in unison," said Stephen G. Whitley, ISO New England's Chief Operating Officer. "New England has added over 5,700 megawatts of generating capacity in the past four years. This additional supply will help serve New England's electricity needs this winter. Nevertheless, the region's power grid may experience periodic transmission constraints in certain areas, creating the potential for tight capacity situations in those areas of the power system this winter."

ISO New England projects the 2002-2003 winter peak demand to reach approximately 21,800 megawatts (MW) on at least one occasion. This winter's peak demand forecast, based on historical data including weather records and past electricity use, is 9.5% higher than last winter's actual recorded peak demand of 19,872 MW. In addition, it exceeds the standing record for winter electricity usage of 21,176 MW, set on January 17, 2000. New England's all-time electricity consumption record is 25,348 MW and was set on August 14, 2002.

"Forecasts such as these are an important planning tool to help maintain reliable dispatch of the bulk power grid," noted Whitley.

In addition to needing adequate supply and sufficient transmission for delivery to meet peak demand, ISO New England must also maintain operating reserves to ensure that the system can recover—with no interruption of service—from the loss of its two largest sources of power at any given time. ISO New England anticipates the need for approximately 23,600 MW of operable generating capacity to meet the forecasted demand and maintain required operating reserves this winter. ISO New England expects that nearly 26,800 MW of operable generating capacity could be available in January, when winter demand is typically at its highest.

For more than five years, ISO New England Inc. has been the not-for-profit corporation responsible for the day-to-day reliable operation of New England's bulk generation and transmission systems with an installed capacity of more than 28,000 megawatts. In addition to operating the bulk power grid, ISO New England is the administrator of the region's wholesale electricity marketplace and the Open Access Transmission Tariff on behalf of the New England Power Pool.

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